FINANCIAL AID 101

2015 - 2016

Benjamin Meadows

Outreach Representative



AGENDA

- Basic Information
- Federal Programs
- State programs
- Filling out the FAFSA
- Additional Resources

BASIC INFORMATION

WHAT IS FINANCIAL AID?

- Financial aid is money to pay for college or career school
- Examples of financial aid
 - Grants
 - Scholarships
 - Loans
 - Work-Study Programs



SOURCES OF FINANCIAL AID

Professional and Service Organizations

Employers and Private Companies Federal Government



Private Foundations State Government

Colleges and Universities

TYPES OF FINANCIAL AID

- Merit-Based Scholarship (Hope Scholarship)
- Need-Based Grant (Pell Grant)
- Non-Need Based Grants (HOPE Grant)
- Student or Parent Loans
- Employment Opportunities, Work Study
- Military Aid and Grants
- Savings Plans (Path2College)

WHO CAN GET FEDERAL STUDENT AID?

- U.S. citizen or permanent resident
- High school graduate or GED recipient
- Eligible degree/certificate program
- Valid Social Security number
- Males registered for Selective Service
- Satisfactory academic progress



HOW IS FINANCIAL NEED CALCULATED?

- Financial need is determined by Cost of Attendance (COA) and Expected Family Contribution (EFC)
- COA is tuition, fees, room and board, transportation, etc. established by the school
- EFC comes from what you report on the Free Application for Federal Student Aid (FAFSA)



FACTORS THAT INFLUENCE EFC

- Independent student/dependent student
- Income (students and/or parents)
- Savings
- Assets
- Number in college
- Family Size



FACTORS THAT INFLUENCE EFC

- Assets that are EXCLUDED from the FEDERAL family contribution calculation (EFC)
 - Family home
 - Family farm (under special circumstances)
 - Value of retirement accounts (IRA, KEOUGH, 401K)



FEDERAL PROGRAMS

What are the Federal Programs?

- Pell Grant
 - Maximum award amount for 2015-2016 \$5,775
 - Based on financial need, COA, full-time or part-time status and plans to attend school for a full academic year or less
 - May not receive Pell Grant funds for more than one school at a time
- Federal Supplemental Educational Opportunity Grant (FSEOG)
 - Full-time, undergraduates only
 - Awards range from \$100 \$4,000
- Work-Study Award

What are the Federal Programs?

- Direct Subsidized Loan
 - Interest is paid by the government while enrolled (at least half-time)
- Direct Unsubsidized Loan
 - Student is responsible for paying the interest on the loan
- Federal PLUS Loan for parents of undergraduate students
- Grad PLUS Loan for graduate and professional students
- Federal Perkins Loan

FEDERAL LOAN PROGRAM LIMITS

2015-2016 Academic Year

Initial Loan Amount for Dependent Students whose Parents are Eligible for a PLUS Loan	Base	Additional Unsubsidized	Annual Maximum Amount
Freshmen	\$3,500	\$2,000	\$5,500
Sophomore	\$4,500	\$2,000	\$6,500
Junior/Senior	\$5,500	\$2,000	\$7,500

Independent Students and Dependent Students whose Parents were Denied a PLUS Loan	Base	Additional Unsubsidized	Annual Maximum Amount
Freshmen	\$3,500	\$6,000	\$9,500
Sophomore	\$4,500	\$6,000	\$10,500
Junior/Senior	\$5,500	\$7,000	\$12,500

HOW DO I APPLY FOR AID?

- Federal aid: FREE Application for Federal Student Aid (FAFSA) at fafsa.gov
- State aid: most states make awards based on FAFSA data
 - GSFAPPS is a Georgia-specific financial aid application available on GAcollege411.org
- School aid: contact school's financial aid office
- Scholarships: each scholarship provider has its own requirements

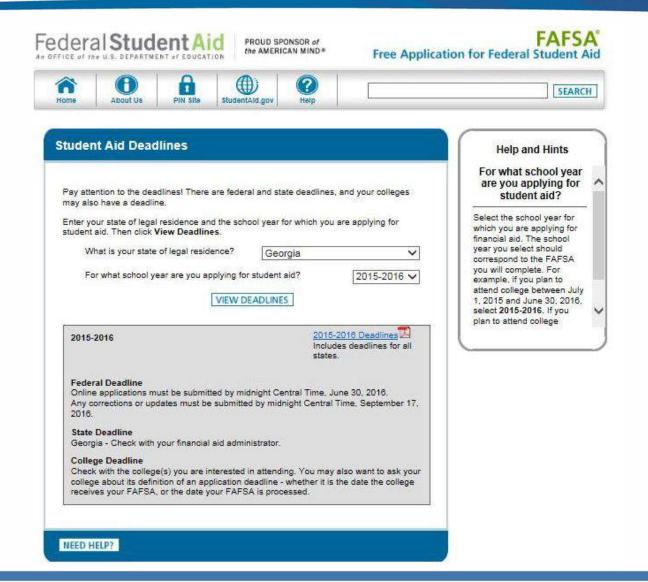
FILLING OUT THE FAFSA

FREE APPLICATION FOR FEDERAL STUDENT AID

FAFSA HOMEPAGE: FAFSA.GOV



FAFSA DEADLINES



WHAT YOU NEED TO COMPLETE THE FAFSA

Social Security number (Alien Registration Number, if not a U.S. citizen)

 Most recent federal income tax returns, W-2s and other records of money earned

- Bank statements and investment records (if applicable)
- Records of untaxed income (if applicable)
- An FSA ID to sign electronically
- Order Spanish FAFSA at edpubs.gov



NEW FSA ID

- Replaces the PIN
- Consists of user-created username and password
- Provides electronic access to personal information
- FSA ID can be used immediately upon creation to complete, sign and submit your FAFSA
- Parents and students must apply for their own FSA ID

Note: The user will only receive immediate full benefit of the FSA ID if the student is linking an already established PIN. If not, the student can only use the FSA ID to sign their FAFSA until their FSA ID has been validated by the Social Security Administration.

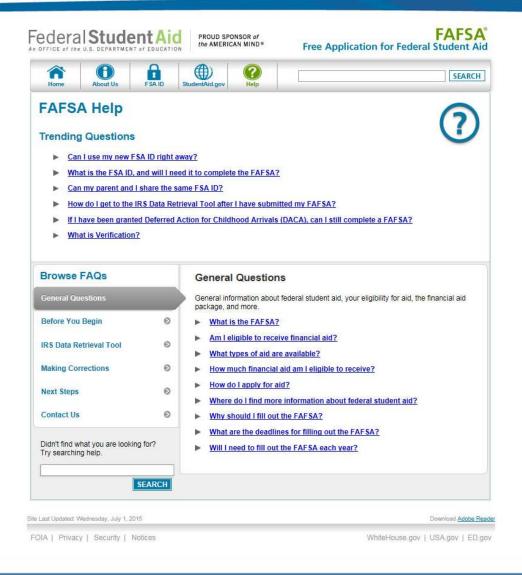
CREATE YOUR FSA ID



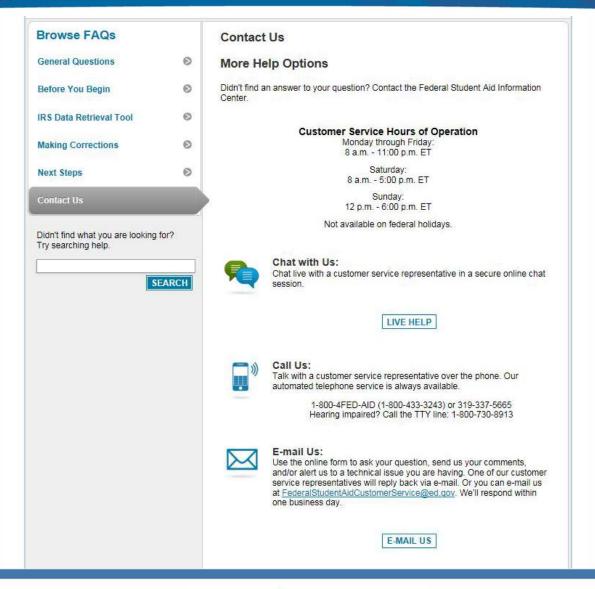
Create a New FSA ID An FSA ID gives you access to Federal Student Aid's online systems and can serve as your legal signature. Only create an FSA ID using your own personal information and for your own exclusive use. You are not authorized to create an FSA ID on behalf of someone else, including a family member. Misrepresentation of your identity to the federal government could result in criminal or civil penalties. To create your own personal FSA ID, enter answers for the questions below and select CONTINUE. Important: When you are done click the CANCEL button to clear your data, even if you did not finish creating your FSA ID. Just closing your browser window or going to another website may not be enough to prevent other people using this computer from seeing your information until the session expires. * Required Edit My FSA ID Create An FSA ID · Edit My FSA ID 0 E-mail Frequently Asked Questions 0 Confirm E-mail 0 Username * 0 Password *

✓ Numbers ✓ Uppercase Letters ✓ Lowercase Letters ✓ Special Characters ✓ 8-30 Characters ☐ Show Text

FIND THE ANSWERS ON FAFSA.GOV



FAFSA.GOV HELP OPTIONS



FAFSA ON THE WEB WORKSHEET

SECTION 2 - STUDENT DEPENDENCY STATUS

If you can check ANY of the following boxes, you will not have to provide parental information. Skip to page 4. If you check NONE of the following boxes, you will be asked to provide parental information. Go to the next page.

☐ I was born before January 1, 1992	☐ I am married	☐ I will be working on a master's or doctorate program (e.g., MA, MBA MD, JD, PhD, EdD, graduate certificate)	
☐ I am serving on active duty in the U.S. Armed Forces	☐ I am a veteran of the U.S. Armed Forces	☐ I now have or will have children for whom I will provide more that of their support between July 1, 2015 and June 30, 2016	
 Since I turned age 13, both of my parents were deceased 	☐ I was in foster care since turning age 13	☐ I have dependents (other than children or my spouse) who live with me and I provide more than half of their support	
☐ I was a dependent or ward of the court since turning age 13	☐ I am currently or I was an emancipated minor	☐ I am currently or I was in legal guardianship	☐ I am homeless or I am at risk of being homeless

The information provided in Section 2 will determine whether the student is a dependent or independent student. These are the only questions the Government uses in making this determination.

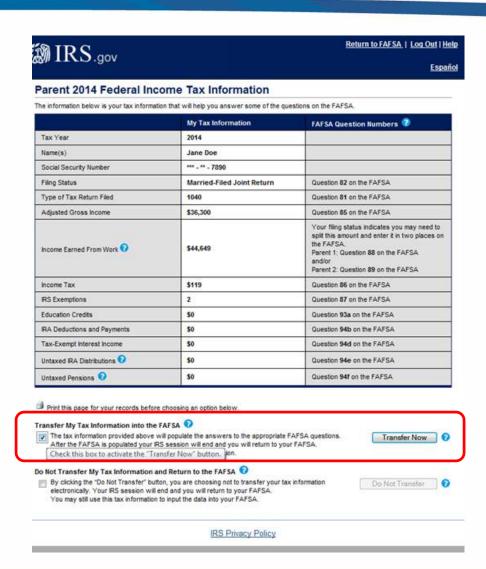
FAFSA ON THE WEB WORKSHEET

Who is considered a parent? "Parent" refers to a biological or adoptive parent or a person determined by the state to be a parent (for example, if the parent is listed on the birth certificate). Grandparents, foster parents, legal guardians, older siblings, and uncles or aunts are not considered parents on this form unless they have legally adopted you. If your legal parents are living and married to each other, answer the questions about both of them. If your legal parents are not married and live together, answer the questions about both of them. In case of divorce or separation, give information about the parent you lived with most in the last 12 months. If you did not live with one parent more than the other, give information about the parent who provided you the most financial support during the last 12 months or during the most recent year you received support. If your divorced or widowed parent has remarried, also provide information about your stepparent. Providing parent 1 information? You will need: Providing parent 2 information? You will need: Parent 1 (father/mother/stepparent) Social Security Number Parent 2 (father/mother/stepparent) Social Security Number Parent 2 (father/mother/stepparent) name Parent 1 (father/mother/stepparent) name Parent 1 (father/mother/stepparent) date of birth Parent 2 (father/mother/stepparent) date of birth ☐ Check here if parent 1 is a dislocated worker ☐ Check here if parent 2 is a dislocated worker Did you know? Did your parents file or will they file a 2014 income tax return? If your parents file a tax return with the IRS, they may be My parents have already completed a tax return eligible to use the IRS Data Retrieval Tool, which is the easiest way to provide accurate tax information. With just a few My parents will file, but have not yet completed a tax return simple steps, they may be able to view their tax return My parents are not going to file an income tax return information and securely transfer it into FAFSA on the Web. What was your parents' adjusted gross income for 2014? Skip this question if your parents did not file taxes. Adjusted gross income is on IRS Form 1040—Line 37; 1040A-line 21: or 1040EZ-line 4. The following questions ask about earnings (wages, salaries, tips, etc.) in 2014. Answer the questions whether or not a tax return was filed. This information may be on the W-2 forms, or on the IRS Form 1040—Line 7 + 12 + 18 + Box 14 (Code A) of IRS Schedule K-1 (Form 1065): 1040A—line 7: or 1040EZ—line 1. How much did parent 1 (father/mother/stepparent) earn from working in 2014? How much did parent 2 (father/mother/stepparent) earn from working in 2014? In 2013 or 2014, did anyone in your parents' household receive: (Check all that apply.) ☐ Supplemental Security Income (SSI) ☐ Temporary Assistance for Needy Families (TANF) □ Supplemental Nutrition Assistance Program (SNAP) ☐ Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) ☐ Free or Reduced Price School Lunch Note: TANF may have a different name in your parents' state. Call 1-800-4-FED-AID to find out the name of the state's program. Did your parents have any of the following items in 2014? Check all that apply. Once online, you may be asked to report amounts paid or received by your parents. Additional Financial Information Untaxed Income ☐ American Opportunity Tax Credit or Lifetime ☐ Payments to tax-deferred pension and Untaxed portions of pension distributions Learning Tax Credit retirement savings plans ☐ Housing, food and other living allowances ☐ Child support paid ☐ Child support received paid to members of the military, clergy ☐ Taxable earnings from work-study, assistantships ☐ IRA deductions and payments to selfand others or fellowships employed SEP, SIMPLE and Keogh Veterans noneducation benefits ☐ Taxable grant and scholarship aid reported to ☐ Tax exempt interest income Other untaxed income not reported, such the IRS ☐ Untaxed portions of IRA distributions as workers' compensation or disability Combat pay or special combat pay Cooperative education program earnings



IRS DATA RETRIEVAL

- Applicant will be validated
- Applicant will have the option to "Transfer" the tax information to the FAFSA



SPECIAL CIRCUMSTANCES

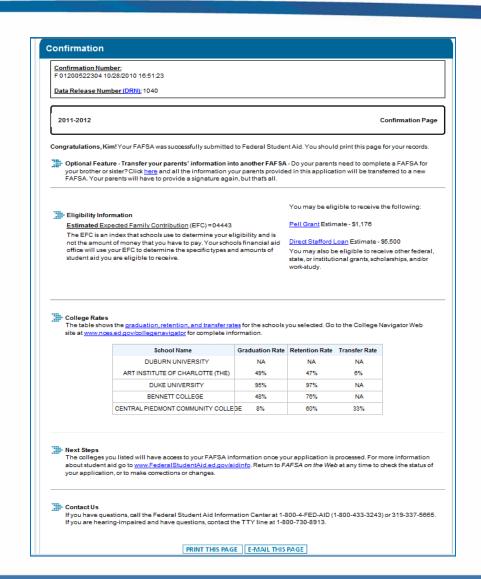
- Cannot report on FAFSA
- Send explanation to financial aid office at each college
- College will review special circumstances:
 - Request additional documentation
 - Decisions are final and cannot be appealed to U.S.
 Department of Education

Examples of Special Circumstances:

- Change in employment status
- Medical expenses not covered by insurance
 - Change in parent marital status
 - Unusual dependent care expenses
- Student cannot obtain parent information

CONFIRMATION PAGE

- Confirmation Number
- Data Release Number (DRN)
- EFC estimate
- Pell Grant and Direct Loan estimates
- Option for parents to transfer information to an application for a sibling



FAFSA PROCESSING RESULTS

- Student will receive a Student Aid Report (SAR)
- Colleges listed on your FAFSA will receive the Institutional Student Information Record (ISIR) approximately 10 to 14 days after FAFSA submitted
- College reviews ISIR
 - May request additional documentation, such as copies of federal tax returns

FINANCIAL AID AWARD OFFER

Name: Doe, John

000 00 0128 ID:

May 21, 2016 Award #: 01

Housing: **On-Campus** Residency: In-State

Estimated Cost of Attendance 2 Semesters

\$18,055

Expected Family Contribution

Established Financial Need

\$18,055

Type of Aid	Fall	Spring	Summer	Total	Accept?
Federal Pell Grant	\$2,887	\$2,888	\$0	\$5,775	Yes or No
HOPE Scholarship*	\$3,390	\$3,390	\$0	\$6,780	Yes or No
Federal Direct Loan – Sub	\$1,750	\$1,750	\$0	\$3,500	Yes or No
Federal Direct Loan - Unsub	\$1,000	\$1,000	\$0	\$2,000	Yes or No
Total for Academic Year				\$18,055	

^{*}Estimated HOPE Scholarship award amount for 15 credit hours per semester at University of Georgia. Award amounts vary by institution.



ADDITIONAL RESOURCES

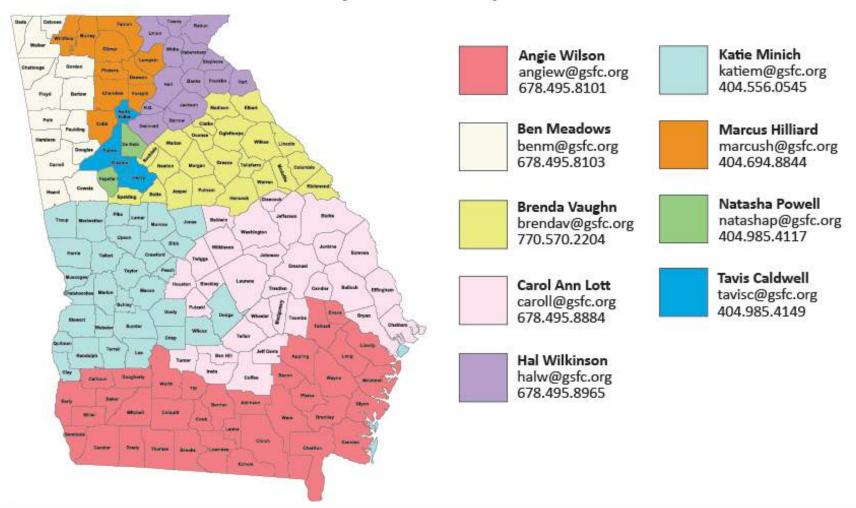
ADDITIONAL RESOURCES

- GAcollege411.org soon to be Gafutures
- GSFC.org
- FAFSA.gov
- StudentAid.gov
 - Prepare for College
 - Types of Aid
 - Who Gets Aid
 - Apply for Aid
 - Repay Your Loans



WE'RE HERE TO HELP YOU

Contact your GSFC Representative



CONTACT US



800.505.4732



BE SOCIAL









OUR MISSION

To promote and increase access to education beyond high school for Georgians.

OUR VISION

To be the premier provider of student financial aid and educational services for Georgians.